

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Schools and Libraries Universal Service)	CC Docket No. 02-6
Support Mechanism)	
)	
A National Broadband Plan)	GN Docket No. 09-51
For Our Future)	

**Comments of the
Hispanic Information and Telecommunications Network (HITN)**

I. Introduction:

The Hispanic Information and Telecommunications Network, Inc. (“HITN”) respectfully submits comments in response to the above captioned Notice of Proposed Rulemaking. HITN is committed to the Federal Communications Commission’s (“FCC” or “Commission”) future vision for improving and modernizing the Universal Service Fund’s Schools and Libraries program.

II. Background:

HITN was established in 1983 as a non-profit organization, which provides engaging, educational, and entertaining programming. HITN's mission is dedicated to using telecommunications technologies for the advancement of Hispanic Americans and other minority audiences in the U.S. and Puerto Rico. The network invites individuals and families to live fuller lives and enables them to serve as an ever-growing engine of intellectual power and progress.

Reaching over 35 million households, individuals can view the network nationwide on the following networks: DirectTV; Dish Network; AT&T U-verse and Verizon FiOS as well as on the following selected cable systems in key Hispanic markets: Time Warner Cable (NY, NJ, and TX); Comcast (IL, CO); Charter (CA, NV, WA, and GA). HITN is also the largest holder of Educational Broadband Service (“EBS”) spectrum in the United States, with spectrum in more than 80 markets covering over 100 million people in the U.S. and Puerto Rico. Through a partnership with Clearwire Corporation, HITN plans to provide WiMAX 4G wireless services to

educational institutions and non-profits nationwide using this spectrum.

Since its inception, HITN has worked with community-based organizations serving and representing the Hispanic community. HITN's unique and close relationship with groups like the Congressional Hispanic Caucus Foundation, the U.S. Hispanic Chamber of Commerce, LISTA, LULAC, NCLR, NALEO, Aspira, HACU and other major Latino organizations provides a strong audience base from the membership of these organizations and an opportunity for Hispanics and non-Hispanics alike to address the educational and informational needs of this vibrant and growing Hispanic community.

These relationships allow HITN to produce programming originating from the conventions, events, and meetings of Latino organizations as well as showcase those proceedings on www.hitnonline.tv.

III. USAC Program – HITN's Prior Experience:

With support of the Universal Service Fund's Schools and Libraries program, in 1996 HITN launched its satellite-based Internet Service Provision (HITNet) formulating a network of over 53 schools and libraries throughout Puerto Rico. HITNet has been the sole provider of satellite-based Internet access and distance learning services to the educational institutions in this Island with a population of (4) four million.

HITN addresses the educational, healthcare, and workforce needs of Hispanic communities in the U.S. and Puerto Rico. HITN is an innovator in the use of leading educational tools and technology targeting underserved communities in Puerto Rico and in Latino communities throughout the U.S.

IV. USAC Program – Recommendations for Moving Forward:

HITN respectfully recommends the FCC take the following actions in order to progress this important program:

- E-rate should include funding for service to classrooms located at preschools and head start, as well as community based organizations that provide educational services through telecommunications to children from pre-K through 12th grade and their parents. These organizations are providing educational services with limited resources and are in need of addition support. These organizations can play a role in advancing broadband deployment and adoption by providing instructional and educational services.
- The FCC must streamline the appeals process. Appeals are expensive, complicated, and time consuming for program beneficiaries and service providers. Success in an appeal at

the FCC also does not ensure recovery, even when services were delivered. HITN has appealed and won numerous appeals. The time and resources involved have made some of those successful appeals pyrrhic victories.

In one case, HITN won an appeal at the FCC (In the Matter of Request For Review by Representatives of the Consortio De Escuelas Y Bibliotecas de Puerto Rico) years after delivering the covered service only to then have the application rejected by the Universal Service Administrative Company (“USAC”) on other grounds. HITN then appealed that rejection and won at the FCC only to have program participants withdraw their applications following a letter from USAC offering that option without informing the program participant that in so doing they may be liable to their service provider for the full amount. In fact, HITN today has a current appeal pending at the FCC for services rendered in Funding Year 2001, Puerto Rico.

- The structure of the E-rate system should be reformulated so as to place less administrative burden on the schools and libraries. The program currently asks the participating schools and libraries to become telecommunications experts. Schools and libraries across the country, especially in areas that face economic hardship have very limited resources. Much of the administration of the program can be shifted to the service provider that has both technical expertise and an incentive to be reimbursed for services rendered. Participating in the E-rate program should be as simple as a beneficiary asking a provider for a service and getting that service at the E-rate.

The service providers should then be allowed to collect the reimbursement from USAC with the submission of simplified documents demonstrating that the services were covered by the program; that services were or are being rendered; that co-payment was made by the beneficiary and the amount eligible for reimbursement. Requests for multiple certifications from the applicant should be eliminated. This system would allow schools and libraries to concentrate on what they need to conduct their mission and service providers to provide services and collect for those services.

- The current program leaves service providers entirely vulnerable to the capabilities of their customers to complete paperwork, respond to USAC inquiries and meet deadlines. Large carriers may be able to absorb such risk, but for small, non-profit providers, such risk is substantial and it is driving these providers out of the educational market. The USAC should have a small business advocate to help resolve and settle claims quickly.
- The USAC and the FCC should clearly inform applicants that failure to secure E-rate approval and reimbursement for services will result in a liability to the service provider for the full payment. Notices to program participants, particularly when services have

been rendered must inform them of the gravity of non-compliance with E-rate rules. Too often these notices which offer applicants the opportunity to ‘withdraw’ an application (offering an apparent escape route), in fact can expose the applicant to legal liability.

- Applicants should not be allowed to withdraw applications if services have been rendered. Applicants should be required to state on their withdrawal form whether services have been delivered.
- The USAC needs clear authority to make settlements, accept alternate documentation, especially to resolve old cases and authority to make equitable decisions to prevent the non-payment for services.
- Training should be an integral part of the E-rate program and eligible for funding. If service providers are restrained from training users, there is a risk that the infrastructure and telecommunications investments will not be fully utilized.
- An entity that provides telecommunications services should not be precluded from providing content over that service. The current separation between functions prevents useful and affordable educational content from reaching users.

V. Conclusion:

This FCC inquiry, the proposed rulemaking, and the National Broadband Plan For Our Future provides a very timely and useful means by which to aggressively move the Schools and Libraries Universal Service Mechanism into a period of renewal with focused action that will positively benefit millions of Americans in need. We urge the Commission to proceed forthwith. As always, HITN would welcome any additional opportunity to provide the FCC with testimony or information about our Universal Service Fund experiences.

Respectfully submitted,
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